

Consumer-Purchaser
DISCLOSURE
PROJECT Improving Health Care Quality through Public Reporting of Performance

TO: Secretary Tommy Thompson, Department of Health and Human Services

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RE: Research Priorities Under Medicare Modernization Act Section 1013

As the implementation of the Medicare Modernization Act progresses and the Department of Health and Human Services continues to strive to improve quality of care and restrain rising costs, it should base legislative and regulatory solutions on the following tenets:

- ?? National standards are needed for the measurement of health care quality. The standards should be based on all six dimensions of quality as defined by the IOM – safe, timely, effective, efficient, equitable, and patient-centered;
- ?? Improved transparency in the performance of health care providers and treatments is vital to enable consumers and public and private purchasers to make better choices at every level of the health care system;
- ?? Public and private payers should create consumer and provider incentives to drive quality improvement and cost effective care; and
- ?? Public policy should promote the rapid evolution of IT infrastructure throughout the health care industry.

One of Medicare's most important goals is to ensure that beneficiaries have access to high-quality, affordable health care, yet Medicare beneficiaries receive care from a system known to have wide spread quality and cost problems. Increasingly, measures of quality, safety, patient experience, efficiency and use of evidence-based guidelines are ready to be implemented. The Centers for Medicare and Medicaid Services has played a leadership role in developing and using such quality measures and is spearheading efforts to publicly disclose quality information, standardize data collection tools, and provide feedback to providers for improvement.

Research and strategies for improving the efficiency and effectiveness of Medicare, Medicaid, and SCHIP should support (1) data collection and reporting of valid performance information for providers, with strong financial and non-financial rewards for superior performance and quality improvement, (2) standardized information linked with incentives for consumers to use in choosing providers and treatments, and (3) close coordination between Medicare and other public and private purchasers as they build performance expectations into health plan and provider contracts and benefit designs. To better support a strategy that provides clinicians and consumers with comparative information on health care providers and services, including (hospital and physicians) we suggest that the following research questions be addressed:

- ?? What are the gaps in existing measures that need to be addressed in order to provide Americans with a comprehensive set of performance measures for hospitals and other facilities, physicians and treatments?

- ?? What is the best way to rapidly develop new measures to fill identified gaps in existing measurement sets
- ?? What is the best approach for assessing and publicly reporting how equitably a provider delivers evidence-based care to patients?
- ?? How can the federal government more effectively support efforts by the National Quality Forum to develop a comprehensive consensus-based set of performance measures?
- ?? How can data collection be improved to support quality measurement and reporting, including administrative, clinical and patient-derived data?
- ?? How can existing data be made more widely available and useful to support measurement and reporting of provider level quality and efficiency?
- ?? What are the costs and the benefits associated with CMS requiring additional information on the UB04 standard claim form (paper and electronic version) and the corresponding increase in hospital outcome reporting that could occur, e.g., secondary diagnosis on admission, select vital signs and lab values, physician identifier associated with all procedures, etc.?
- ?? What are the potential savings if a portion of Medicare beneficiaries used standardized measures of quality and longitudinal efficiency to select more efficient (less wasteful) hospitals, physicians, and treatments?
- ?? How can CMS more effectively partner with states and private payers to promote use of common performance measures linked to substantial provider incentives?
- ?? What is the impact on patient care, outcomes, and cost when provider reimbursement is based on measures of quality?

We applaud the work that HHS is doing to modernize Medicare to incorporate performance transparency and alter the reimbursement system to reward higher quality and more efficient care. Please feel free to contact us through Katherine Browne, Managing Director, Consumer-Purchaser Disclosure Project, at 202-238-4820 or kbrowne@nationalpartnership.org if you would like to discuss these suggestions in more detail.